Lowering of Bank Rate

699. SHRI DRUPAD BORGOHAIN: Will the Minister of FINANCE be pleased to state:

(a) whether the Ministry of Finance is going to lower the bank rate as demanded by FICCI and CII; and

(b) if so, whether it would aggravate the already escalated inflationary situation and hit the people very hard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) Changes in the bank rate are decided by Reserve Bank of India, taking into account the prevailing monetary and economic conditions. The Reserve Bank of India have last reduced the bank rate from 9 per cent to 8 per cent with effect from March 1, 1999.

(b) Does not arise in view of (a).

Financial Assistance to Assam by NABARD

700. SHRI DRUPAD BORGOHAIN: Will the Minsiter of FINANCE be pleased to state:

(a) the financial assistance extended to Assam by NABARD in the last three years;

(b) what are the heads in which the Bank assisted, amount-wise;

(c) the amount of money spent through PMRY, IRDP and SC/ ST Action Plan in Assam in the last three years; and

(d) the reasons why grass root banks refuse to distribute the loans sanctioned by NABARD and other institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL): (a) and (b) National Bank for Agriculture and Rural Development (NABARD) is an apex institution providing refinance facilities to banks for financing farm and non-farm activities. These facilities are available to both short-term and long-term loans extended by banks. The details of the assistance provided by NABARD to the state of Assam